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AUDITOR-CONTROLLER

COUNTY OF LOS ANGELES DEPARTMENT OF AUDITOR-CONTROLLER

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April 30, 2015

TO: Supervisor Michael D. Antonovich, Mayor
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe

FROM: John Naimo
Auditor-Controller

SUBJECT: **ADMIRAL HOSPICE CARE, INC. – A DEPARTMENT OF HEALTH SERVICES HOSPICE SERVICES CONTRACT SERVICE PROVIDER – CONTRACT COMPLIANCE REVIEW**

We completed a review of Admiral Hospice Care, Inc. (Admiral or Contractor), a Department of Health Services (DHS) Hospice Services contract service provider. The purpose of our review was to evaluate Admiral's compliance with their County contract. Our review included a review of patient files, employee personnel records, and other applicable documents.

DHS paid Admiral a total of \$268,770 on a fee-for-service basis during Fiscal Year 2013-14. Admiral provides hospice services for patients referred by DHS and is located in the Fourth Supervisorial District.

Results of Review

Admiral maintained a Quality Control Plan as required, and the staff had the required qualifications. However, Admiral did not always comply with all of their County contract requirements. For example, Admiral:

- Did not always comply with contract documentation requirements. For example, Admiral did not maintain documentation that they provided DHS with discharge notices and written reports of patients' clinical findings timely.

Admiral's attached response indicates that they will comply with the requirements and ensure the required documentation is submitted to DHS timely.

- Did not have written agreements in place for loans made to Admiral Home Health, Inc.

Admiral's response indicates that they will ensure written agreements are in place for all loans.

- Did not conduct annual tuberculosis screenings for 40% of the employees reviewed and did not obtain proof of required immunizations for 60% of the employees reviewed, potentially putting their employees and patients at risk.

Admiral's response indicates that they will ensure staff have current immunizations and annual tuberculosis screenings.

Details of our review, along with recommendations for corrective action, are attached.

Review of Report

We discussed our report with Admiral and DHS on November 4, 2014. Admiral's attached response indicates agreement with our findings and recommendations. DHS will work with the Contractor to ensure our recommendations are implemented.

We thank Admiral management and staff for their cooperation and assistance during our review. If you have any questions please call me, or your staff may contact Don Chadwick at (213) 253-0301.

JN:AB:DC:AA:js

Attachments

c: Sachi A. Hamai, Interim Chief Executive Officer
Mitchell H. Katz, M.D., Director, Department of Health Services
Josie Jones, RN, M.S., President/Chief Executive Officer, Admiral Hospice Care, Inc.
Public Information Office
Audit Committee

**ADMIRAL HOSPICE CARE, INC.
HOSPICE SERVICES
CONTRACT COMPLIANCE REVIEW
FISCAL YEAR 2013-14**

BILLED SERVICES

Objective

Determine whether Admiral Hospice Care, Inc. (Admiral or Contractor) provided the services billed to the Department of Health Services (DHS) in accordance with their County contract.

Verification

We reviewed Admiral's invoices and other supporting documentation for \$93,325 (35%) of the \$268,770 that DHS paid to the Contractor during Fiscal Year 2013-14. We also reviewed documentation in the patient case files for five patients DHS referred to Admiral.

Results

Admiral appropriately billed DHS for the patient services reviewed. However, Admiral did not always comply with the contract documentation requirements. Specifically, Admiral did not maintain documentation that they:

- Provided DHS with a written report of clinical findings for all five patients within a day of the initial nursing assessment.
- Submitted a discharge notice for all five patients to DHS within 30 days of discharge. The discharge notices trigger DHS staff to close-out the patients' charts.
- Submitted summaries of services provided to patients and their progress, and an assessment of the patients' needs to DHS every 60 days for four (80%) patients reviewed. A DHS physician reviews these records to approve any changes in the patient's treatment plan if needed.

Recommendations

Admiral Hospice Care, Inc. management ensure staff:

- 1. Provide the Department of Health Services a written report of clinical findings within a day of a patient's initial nursing assessment, and maintain documentation in the patient files.**

2. **Submit discharge notices, summaries of services provided to patients and their progress, and an assessment of patients' needs within the required timeframes, and maintain documentation in the patient files.**

STAFFING QUALIFICATIONS

Objective

Determine whether Admiral staff had the qualifications required by their County contract.

Verification

We reviewed the personnel files for five (16%) of the 31 Admiral staff who provided services to DHS patients.

Results

Admiral's staff had the required qualifications.

Recommendation

None.

PERSONNEL

Objective

Determine whether Admiral complied with personnel contract requirements, and maintained personnel files as required.

Verification

We reviewed personnel files and other documentation for five (16%) of the 31 Admiral staff.

Results

Admiral did not always comply with the contract's personnel requirements. Specifically, for the five staff we reviewed, Admiral did not:

- Conduct annual tuberculosis screenings for two (40%) of the staff reviewed.
- Obtain proof that three (60%) of the staff reviewed had all of the required immunizations.

Staff must complete health screenings to ensure that they are free from contagious diseases, and are capable to provide services. In addition, Admiral staff that do not have current immunizations are at-risk of being exposed to diseases when providing patient care.

Recommendations

Admiral Hospice Care, Inc. management ensure staff:

- 3. Complete tuberculosis screenings, and maintain supporting documentation.**
- 4. Have current immunizations, and maintain supporting documentation.**

ADMINISTRATIVE CONTROLS/QUALITY CONTROL

Objective

Determine whether Admiral was in compliance with their County contract administrative requirements. In addition, determine whether Admiral maintained a comprehensive Quality Control Plan (QCP), and used the QCP to ensure they provided the required services.

Verification

We interviewed Admiral personnel, and reviewed their policies and procedures, QCP, and other applicable documents.

Results

Admiral maintained a comprehensive QCP. However, the Contractor did not always follow their QCP to ensure compliance with the contract documentation and personnel requirements as noted in our review. In addition, we noted that Admiral's unaudited financial statements reported that they have \$209,000 in outstanding loans to Admiral Home Health, Inc. However, Admiral did not provide written loan agreements identifying the terms, amounts, and dates of the loans.

Recommendation

- 5. Admiral Hospice Care, Inc. management ensure written agreements are in place for all loans.**



Admiral Hospice Care, Inc.

*Where end of life is affirmed
and endearing relationships
cherished*

November 13, 2014

To: John Naimo , Auditor- Controller
County of Los Angeles
500 W Temple St.
Los Angeles, Ca. 90012

From : Josie Jones, RN,MS
President/ CEO
Admiral Hospice Care, Inc.

Subject: PLAN OF CORRECTION

Attached is a Plan of Correction to the deficiencies identified during the recent Contract Compliance review of Admiral Home Health.

Please feel free to contact me for any questions you may have.

Thank you.



Admiral Hospice Care, Inc.

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January 29, 2015

PLAN OF CORRECTION-----ADMIRAL HOSPICE CARE, INC.

1. Admiral Hospice Care will ensure that the Department of Health Services is provided with a written report of clinical findings within a day of patient's initial nursing assessment and maintain documentation in the patient's file. The Staff / Case Managers were all instructed to comply with the DHS requirement.
2. Admiral Hospice Care will ensure that discharge summary of services provided to patients and their progress and assessment of their needs are submitted to DHS within the required time frames and maintain documentation in the patient files.
All Staff have been instructed to comply with the DHS requirements as it is a part of the contract, Re: # 1 and 2 above.
3. Admiral Hospice Care management will ensure that written agreements are in place for all loans.
4. Admiral Hospice Care management and HR department will ensure that personnel will have yearly TB screening and maintain supporting documentation.
5. Admiral Hospice Care management and HR department will ensure that staff have current immunizations and maintain supporting documentation.

Submitted by:  Josie Jones, RN, MS ----- Executive Director